



Aubrey Dunn, State Land Commissioner
State of New Mexico

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Dunn offers tracts to benefit UNM athletics

State Land Office anticipates eclipsing \$1 billion in revenue this year

SANTA FE, NM – State Land Commissioner Aubrey Dunn today announced that the August oil and gas lease sale generated just over \$12 million – a large portion of which is earmarked specifically for the University of New Mexico.

Dunn said he decided to include additional tracts of land in this month’s sale that specifically benefit the university in order to show his support for the quartet of sports that were cut because of budgetary and Title IX compliance issues.

“I wanted to show my support for the student-athletes who comprise the men’s soccer, men’s and women’s skiing and women’s beach volleyball teams,” Commissioner Dunn said. “With the money we’re directing to the university I would hope they can find a way to fund these programs

He said the soccer, ski, and beach volleyball teams are examples of quality programs that have attracted the best and brightest student-athletes who excel both in competition as well as in the classroom. “It is a shame that these programs were terminated,” Commissioner Dunn added.

All told, UNM will receive \$3,151,205 from the proceeds of today’s sale.

Other beneficiaries of the August sale and their respective earnings are:

- Common Schools: \$8,214,800
- New Mexico Miner’s Hospital: \$156,160
- Charitable, Penal and Reform: \$467,382
- New Mexico Military Institute: \$98,843

Each month, oil and gas lease sales are held online in sealed and open bidding formats. The August sale featured 25 tracts for a total of 6,082 acres in Eddy and Lea counties.

Santa Fe's Federal Abstract was the high bidder in the sealed bid and online portions of the sale, acquiring 2,922.17 acres for \$10,082,409.53 for an average per-acre price of \$3,450.32. Eight bidders generated nearly \$12.1 million. All told 31 bidders from six states participated.

Agency on target to reach \$1 billion in revenues in FY19

With the success of the past two lease sales and the staggering increase in oil production in southeast New Mexico, NMSLO is projecting that it will hit the \$1 billion mark for revenues in FY19.

"We've had two very successful sales, royalties are continuing to increase, and with oil production on trust lands approaching seven million barrels per month we are on course to generate \$1 billion in revenues this year," Commissioner Dunn said. "It's a testament to the tireless efforts of everyone at the agency who continue to work on behalf of New Mexico's schoolchildren and all of our beneficiaries."

Dunn said FY19 should see the state's Land Grant Permanent Fund surpass the \$20 billion mark. And while he's encouraged by the early signs, he noted that a potential stumbling block exists.

"While the signs are pointing toward a banner financial year for us, there is a caveat," Commissioner Dunn said. "So much will depend on who the next land commissioner is and what their policy on generating funds for this agency's beneficiaries is."

As Commissioner of Public Lands, Dunn is tasked with optimizing revenues while protecting the health of the land for future generations. The agency is responsible for administering nine million acres of surface and 13 million acres of subsurface estate for the beneficiaries on the state land trust.

Oil, gas, and mineral production, ranching and farming, and commercial development on State Trust Lands support public schools, seven universities, New Mexico Military Institute, New Mexico School for the Deaf, New Mexico School for the Blind and Visually Impaired, three hospitals, correctional facilities, water conservation projects, and public building construction and repair. In fiscal year 2017, the State Land Office collected \$664 million from lease payments, oil and gas lease sale earnings, rights-of-way, permits, interest, fees, and oil, gas, and mineral royalties.